Nearly 80 percent of the total cost of the Corporation which are more or less beyond its control comprise of the material cost of foodgrains interest payable to banks, rail freight, transportation cost, purchase tax, mandi levies and cost of gunnies. The remaining expenses which are controllable relate to labour handling, storage and shortages. FCI is making all efforts to achieve all round reduction in costs. These include implementaion of the recommendations of the Bureau of Industrial Costs and Prices on cost reduction, measures to reduce transit and storage shortages, implementation of Annual Cost Reduction Plans with a view to reducing administrative overheads etc. The Corporation is also signing Memorandum of Understanding with the Government of India every year for optimising its operational and cost efficiency.

Programmes operated by FCI

902. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that apart from the minimum price support operations, the Food Corporation of India (FCI) is also engaged in the market intervention or any other similar programme;

(b) if so, the details of purchases and sales under each of the two programmes during each of the last three years alongwith the quantities and average prices of purchases and sales;

(c) whether it is also a fact that the Food Corporation of India has made purchase of foodgrains at prices higher than the Minimum Support Price, if so, the reasons therefor particularly when the stocks of foodgrains with the FCI have been substantial; and

(d) the average procurement prices and distribution costs of rice and wheat during the last three years?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) Apart from procurement of foodgrains under price support Scheme at Minimum Support Prices for Central Pool, Food Corporation of India undertakes open market sales operations as a part of market intervention.

(b) Statements showing the support/procurement prices of wheat, paddy and quantities procured under price support scheme and prices adopted for sales of wheat and rice under Open Market Sales Scheme, are attached (Annexure. [*See* Appendix 173, Annexure os. 17]

Quantities of wheat and rice sold under Open Market Sales Scheme during the years 1993-94 and 1994-95 are as under:—

In lakh tonnes

Year	Wheat	Rice
1993-94 . .	28.56	0.17
1994-95 . . (upto February 1995	41.47	3.46

(c) No Sir. Foodgrains are procured by FCI for Central Pool at Minimum Support Prices fixed by the Government.

(d) The Minimum Support Prices for paddy and wheat are given in Annexure. Rice is also procured under the levy system. The statewise prices of levy rice are given in Annexure. [*See* Appendix 173, Annexure 18].

The distribution costs on wheat and rice are given below:—

(Rs. per qutnial)

Year	Distribution Cost	
	Wheat	Rice
1992-93 . .	120.02	120.02
1993-94 . .	120.97	120.97
1994-95 . .	122.03	122.3 (R.E.)

Sick sugar mills in the country

903. SHRI KRISHAN LAL SHARMA: Will the Minister of FOOD be pleased to state:

(a) the number of sick sugar mills, out of the total, at present in the country;

(b) their locations;

(c) whether Government have taken any decision in regard to these sick sugar mills; and

(d) if so, the details thereof?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) and (b) Under the provisions of the Sick Industrial Companies (Special provisions) Act, 1985, companies registered under the Companies Act, 1956 which become sick have to be referred to the Board for Industrial and Financial Reconstruction (BIFR). These provisions have been extended to cover Government companies also. BIFR has intimated that as on 28.2.95 there were 13 cases of sick sugar companies registered with them. A statement showing the State-wise list of such sick sugar companies, as furnished by BIFR, is at Statement. (*See* below).

(c) and (d) Sugar mills have to themselves prepare schemes for rehabilitation/modernisation and get them approved by BIFR/participating agencies. Financial assistance is also available from the Sugar Development Fund (SDF) at concessional rates of interest for such rehabilitation/modernisation schemes, subject to their fulfilling the conditions laid down.

Statement

State-wise list of sick sugar companies Registered with BIFR as on 28-2-1995

State/company

Andhra Pradesh

Challapalli Sugar

Bihar

Champaran Sugar

Karnataka

Davnagare Sugar Company

Salarjung Sugar

Gangawati Sugar

Madhya Pradesh

Jiwaji Rao Sugar

Punjab

Bhagwanpura Sugar Mills

Rajasthan

Mewar Sugar

Utter Pradesh

Lakshmi Sugar Mills

* Cawnpore Sugar Works Ltd.

* Shervani Sugar Syndicate Ltd.

* Swadeshi Mining & Mfh. Co. Ltd.

West Bengal

Ramnuger Cane (Khitan Agro Complex)

*Under Enquiry by B.I.F.R.

भारतीय खाद्य निगम द्वारा गेहूं चीनी और चावल की खुली बिक्री

904. श्री गोपाल सिंह जी० सोलंकी: क्या खाद्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने भारतीय खाद्य निगम को गेहूं, चीनी और चावल